

Senate Bill 400

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CHAPTER 271, LAWS OF 1967

AN ACT to amend 202.08 (2) and 202.11 (1) and (2) (intro.) and (1st 2 pars. of form) of the statutes, relating to assessments by town mutual insurance companies.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 202.08 (2) of the statutes is amended to read:

202.08 (2) The board or the company may classify property or risks under different rates, corresponding as nearly as may be to the greater or less expense and estimated probability of loss which may attach and may establish premium rates and fees to be charged on various classifications. A schedule of the rates and all changes thereof shall be filed with the commissioner of insurance. It may also, at its option, levy assessments for classes of risks based upon expense and estimated probability of loss. A report of each such assessment shall be filed with the commissioner of insurance. Whenever an assessment shall be levied according to classes of risks as provided in this section, the provisions of s. 202.11 as to levying the assessment at a uniform rate upon all property insured and as to the ~~forms~~ form of the ~~notices~~ notices required

shall be construed to permit such classification and notice of assessment in accordance therewith.

SECTION 2. 202.11 (1) and (2) (intro.) and (1st 2 pars. of form) of the statutes are amended to read:

202.11 (1) When the amount of any loss ~~shall exceed~~ *exceeds* the funds on hand the president shall convene the board of directors who shall levy an assessment which shall be at the same rate upon all property insured at the time of the loss, *except that the assessment need not be at the same rate upon all property when the assessment is levied according to classes of risks under s. 202.08 (2).* The board may assess up to any amount necessary to pay incurred losses and expenses and may include in such assessment an amount not exceeding 2 mills in anticipation of future losses. The board may also levy an assessment at any time for the purpose of carrying on the business of the company including payment of losses, expenses, reinsurance, borrowed money or the establishment of reserves.

(2) When any assessment has been completed the secretary shall immediately ~~publish a class 1 notice, under ch. 985, in the counties where the corporation is doing business, stating the amount of the assessment, the time such assessment was levied, and the time when it becomes due, which notice shall be in the following form:~~

~~To the Policyholders of the----- Insurance Company.~~

~~TAKE NOTICE:~~

~~Pursuant to the provisions of section 202.11 of the statutes, the directors of the ----- Insurance Company on -----, 19--, levied an assessment of \$----- on the policyholders of the company, being at the rate of ----- mills per dollar of insurance, and the said assessment is due and payable on or before -----, 19-----.~~

~~-----, Secretary.~~

~~Such notice, together with the proof of the publication thereof, shall be conclusive evidence of notice of such assessment to every member. The secretary shall also notify every member by mail, using the last address on record, of the rate per cent of such assessment, and the sum due from him, the time when due, and to whom payment is to be made, which time shall not be less than 30 nor more than 60 days from the date of such notice, which said notice shall be *substantially* in the following form:~~

~~... MUTUAL FIRE INSURANCE COMPANY ... , Wisconsin... , 19..~~

Approved December 20, 1967.